

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Davico Manufacturing

Massachusetts Manufacturing Extension Partnership

Davico Manufacturing Sustains Lean Improvements

Client Profile:

Davico Manufacturing, a New Bedford, Massachusetts-based company, produces 575 types of direct fitting catalytic converters and 250 different front pipes. Their niche is providing direct-fit and special order aftermarket catalytic converters for when OEM's (original equipment manufacturer) are either not available or too costly. Davico relies on manufacturers' representatives to market its vast array of direct-fit pipes and catalytic converters to auto parts stores. The company employs 35 people.

Situation:

As continued growth made moving to larger facility a necessity, a team of Davico's shop floor managers worked with the Massachusetts Manufacturing Extension Partnership (Mass MEP), a NIST MEP network affiliate, to develop a floor layout for the new building.

Solution:

Davico was assisted by Mass MEP Lead Project Manager, Rick Bowie. Bowie provided training for several Davico employees in Lean methodologies to help identify and remove wastes from their processes. Mass MEP helped the company identify waste, focus on value added procedures, clean and organize their workplace, and maximize efficiency, productivity and safety. Lean techniques have helped Davico move orders to the shop floor more efficiently. By studying the relationships between processes and incorporating manufacturing cells into their work strategy, Davico was able to develop a design ready for their move to a new facility. Mass MEP cross-trained employees so they could move back and forth between work stations as needed to avoid the build-up of work in process (WIP) in one location. Getting their higher volume products to market faster than the competition is just one of many positive results Davico Manufacturing reported after Mass MEP introduced Lean concepts at their facility. The flow of higher volume product has improved tremendously in the new plant and has made Davico much more competitive. It also allowed them to focus on the more complex, lower volume products which bring a greater profit. The biggest contributing factor to the quality improvements has been process standardization. Outages have been reduced to minimal and acceptable levels. Davico utilizes kanbans and other tools to prevent their running out of raw materials. Kanbans trigger finished goods as well as raw materials and are also used to indicate when re-ordering should take place. Using these methods Davico has been able to increase finished goods inventory by 30 percent and maintain their overall inventory number while reducing work WIP and raw materials inventory.

Results:

- * Increased growth by 12 percent.
- * Increased on-time delivery from 50 percent to 95 percent.

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- * Reduced order entry time by 80 percent.
- * Increased fill rate from 85 percent to 95 percent.
- * Improved quality by 90 percent.
- * Created 10 jobs.

Testimonial:

"We would not have been able to handle this type of growth without Lean."

Ray Suprenant, President and CEO